



PREPROPOSAL STATEMENT OF INQUIRY

(RCW 34.05.310)

CR-101 (7/10/97)

Do **NOT** use for expedited repeal or adoption

Agency: Department of Health	
Subject of possible rule making: Certification by Department of Health of independent review organizations (IROs) which will be approved to make binding determinations when a health insurance enrollee disputes the insurance carrier's decision to deny, modify, reduce, or terminate coverage or payment for health care service. The certification of IROs is a new Department of Health responsibility under Washington's recently enacted Health Care Patient Bill of Rights Act of 2000 (Chapter 5, Laws 2000; formerly Engrossed Second Substitute Senate Bill 6199).	
(a) Statutes authorizing the agency to adopt rules on this subject: Section 12 of Chapter 5, Laws 2000 (which will become part of 43.70 RCW) requires the Department of Health to adopt rules "providing a procedure and criteria for certifying" independent review organizations. Additional requirements involving IROs are contained in section 11 of the same legislation.	
(b) Reasons why rules on this subject may be needed and what they might accomplish: The law requires the Department of Health to adopt rules on this subject; see (a).	
(c) Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: The Office of the Insurance Commissioner (OIC) is responsible for rulemaking and enforcement to ensure that health plans provide their enrollees with the option of appealing issues to external review (IRO) if they are not resolved through internal processes. OIC also will develop a means to assign specific cases to IROs on a rotational basis. DOH and OIC staff will coordinate so that the two agencies' areas of rule-making work together. Congress is considering federal legislation, which, if enacted, would establish national requirements.	
(d) Process for developing new rule (check all that apply): <input type="checkbox"/> Negotiated rule making <input type="checkbox"/> Pilot rule making <input type="checkbox"/> Agency study <input checked="" type="checkbox"/> Other (describe) Collaborative rule-making process	
(e) How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication: The Department of Health (DOH) has scheduled two fact-finding meetings to hear the interests and concerns of interested parties about how this law is implemented: -- August 16, 2000 - 2-4 PM - West Coast SeaTac Hotel, Seattle Room, 18220 International Blvd S., Seattle, WA --August 17, 2000 - 9:30-11:30 am - Spokane - Cavanaugh's Inn at the Park, Finch Room, 303 W. North River Dr. Other developmental meetings may be scheduled. A preliminary list of questions on which the Department wishes input is attached. By July 15, 2000, an Internet web page related to development of this rule will be operational at http://www.doh.wa.gov/rules/IROcertification . This site will contain further information and a means to comment electronically. At least one formal hearing will be scheduled later in the year to accept comments on the proposed rule. For further information please contact any of these DOH staff: --Steve Boruchowitz (360) 236-4621, Health Services Quality Assurance, P. O. Box 47850, Olympia, WA 98504-7850 (fax 360-236-4626) --Patti Rathbun (360) 236-4627 or Dan Rubin (360) 236-4023, Office of Secretary, P. O. Box 47879, Olympia, WA 98504-7879 (fax 360-586-2171).	
NAME (TYPE OR PRINT) Mary C. Selecky	
SIGNATURE	
TITLE Secretary	DATE July 3, 2000

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**Attachment – CR-101 for Department of Health Rulemaking Under
Health Care Patient Bill of Rights Act of 2000 (E2SSB 6199)**

Certification of Independent Review Organizations - Questions for Stakeholders

1. The requirements for Independent Review Organizations (IROs) are addressed in sections 11 and 12 of Washington’s Health Care Patient Bill of Rights Act of 2000 (Chapter 5, Laws 2000; formerly Engrossed Second Substitute Senate Bill 6199). Copies of the legislation are available from the Department of Health. Are there specific statutory requirements that you believe will be difficult to implement in the Department of Health’s program for IRO certification? Why?
2. Are there requirements not spelled out in section 12 of the law that you believe are essential for appropriate DOH certification of IROs? If so, does DOH have legal authority to require compliance with the requirements you suggest?
3. The law requires the Department of Health, in adopting rules, to “take into consideration standards for independent review organizations adopted by national accreditation organizations.” This clearly would include the accreditation standards for External Review Organizations recently adopted by The American Accreditation HealthCare Commission (also known as URAC after its former name, Utilization Review Accreditation Commission). Are there certain URAC standards that you believe are inappropriate for certification of IROs under Washington’s law? Which standards, and why? Information on URAC standards is available from the Department of Health.
4. Apart from URAC, are there other national accreditation standards for IROs which the Department should consider in implementing Washington’s law? Do those other standards have specific provisions that you believe are superior to, or address gaps in, related URAC standards? Why?
5. Are there other states whose standards for IROs are a good model for implementing Washington’s law? Which specific standards from those states should be considered?
6. Washington’s IRO law requires reviewers to be appropriately licensed, certified or registered as required in Washington or another state with “substantially comparable” standards. Review decisions must be based in part on “medical standards of practice in the state of Washington.” How should these requirements be implemented?
7. Should IROs that handle only specialized types of reviews (such as behavioral health, chiropractic or high-technology) be certified in Washington? Why or why not?
8. Do you have other recommendations or concerns that the Department of Health should be aware of in developing rules for certification of IROs?